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*2,660,257*  
*3,107,769*

17 Attorneys for Plaintiff  
18 FAROUK SYSTEMS, INC.

19 UNITED STATES DISTRICT  
20 FOR THE CENTRAL DISTRICT OF CALIFORNIA  
21 SOUTHERN DIVISION

22 FAROUK SYSTEMS, INC.,  
23 Plaintiff,

24 v.

25 PRINCESS SILK, L.L.C.; CINDY VIRK  
26 d/b/a/ PRINCESS SILK; LADOU STYLE,  
27 INC.; PAUL VIRK,  
28 Defendants.

CASE NO. SACV07-1190 JVS (MLGx)

[FILED UNDER SEAL PURSUANT  
TO 15 U.S.C. § 1116]

FINAL JUDGMENT AND  
PERMANENT INJUNCTION ON  
CONSENT

1 Plaintiff, FAROUK SYSTEMS, INC., ("Plaintiff") having commenced this action  
2 for an injunction and other relief against, *inter alia*, and defendants PRINCESS SILK,  
3 L.L.C.; CINDY VIRK, individually and d/b/a/ PRINCESS SILK; LADOU STYLE,  
4 INC.; and PAUL VIRK (collectively "Settling Defendants"), pursuant to the Lanham  
5 Act, 15 U.S.C. § 1051, *et seq.*, as amended by the Trademark Counterfeiting Act of 1984,  
6 Public Law 98-473, and under the laws of the State of California, for the reason that  
7 Settling Defendants are alleged to be engaged in manufacturing, importing, distributing,  
8 offering for sale, and/or selling, among other things, of products that bear counterfeits  
9 and/or imitations of Plaintiff's trademarks as described and defined in the First Amended  
10 Complaint (the "FSI Trademarks"); and

11 Settling Defendants, having entered into a Settlement Agreement with Plaintiff and  
12 having stipulated to entry of an Agreed Final Judgment and Permanent Injunction; and  
13 the parties, having indicated below their consent to the form and entry of this Agreed  
14 Final Judgment and Permanent Injunction on Consent (the "Judgement"),

15 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED:**

16 1. The Court has subject matter jurisdiction over this matter and personal  
17 jurisdiction over Settling Defendants.

18 2. The Court shall retain jurisdiction over Settling Defendants for purposes of  
19 interpretation and enforcement of this provisions of this Judgment, including any future  
20 questions of its violation by one or more of the Settling Defendants.

21 3. Plaintiff's claims against Defendant PAUL VIRK are dismissed with  
22 prejudice.

23 4. Defendants PRINCESS SILK L.L.C., CINDY VIRK, individually and doing  
24 business as PRINCESS SILK, and LADOU STYLE, INC. are permanently enjoined  
25 from advertising, promoting, representing, offering for sale, or selling any hair care  
26 product bearing, displaying, or advertising under: (a) the trademark CHI; (b) the  
27 trademark CHI of U.S. Trademark Registration No. 2,660,257; U.S. Trademark  
28 Registration No. 3,107,769; U.S. Trademark Application Serial No. 78/524,660; and/or

1 of U.S. Trademark Application Serial No. 76/512,597; (c) the trademark ULTRA CHI of  
2 U.S. Trademark Application Serial No. 78/622,448; (d) the trademark CHI NANO of  
3 U.S. Trademark Application Serial No. 77/055,581; or (e) and (d) the word mark  
4 BIOCHI shown in U.S. Trademark Application Serial No. 77/265,353 (collectively the  
5 "Farouk Systems Trademarks), unless such hair care products are obtained by  
6 Defendants PRINCESS SILK L.L.C., CINDY VIRK, individually and doing business as  
7 PRINCESS SILK, and LADOU STYLE, INC. from Farouk Systems, Inc.

8 5. Defendants PRINCESS SILK L.L.C., CINDY VIRK, individually and doing  
9 business as PRINCESS SILK, and LADOU STYLE, INC. are permanently enjoined  
10 from advertising, promoting, representing, offering for sale, or selling any hair care  
11 product as being sponsored by, associated with, affiliated with, or connected to Farouk  
12 Systems, Inc., unless such hair care products are obtained by Defendants PRINCESS  
13 SILK L.L.C., CINDY VIRK, Individually and doing business as PRINCESS SILK, and  
14 LADOU STYLE, INC. from Farouk Systems, Inc.

15 6. Defendants PRINCESS SILK L.L.C., CINDY VIRK, individually and doing  
16 business as PRINCESS SILK, and LADOU STYLE, INC. are permanently enjoined  
17 from representing to the public that PRINCESS SILK L.L.C., CINDY VIRK,  
18 individually and doing business as PRINCESS SILK, and/or LADOU STYLE, INC. are  
19 authorized by Farouk Systems, Inc. to promote, advertise, sell, or offer for sale any hair  
20 care product bearing, displaying, or advertised under the Farouk Systems Trademarks.

21 7. Defendants PRINCESS SILK L.L.C., CINDY VIRK, individually and doing  
22 business as PRINCESS SILK, and LADOU STYLE, INC. are permanently enjoined  
23 from advertising, promoting, selling, offering for sale, or in any other way representing to  
24 the public that any hair care products, not originating from Farouk Systems, Inc., are  
25 associated with, sponsored by, connected with, or affiliated with Farouk Systems, Inc.

26 8. The portion of the Preliminary Injunction on Consent as to Defendants  
27 PRINCESS SILK, L.L.C. and CINDY VIRK d/b/a PRINCESS SILK entered October 17,  
28 2007, and the portion of the Temporary Restraining Order, Seizure Order, Order

1 Restraining Transfer of Assets, Order to Show Cause for Preliminary Injunction, Order  
2 for Expedited Discovery and Order Sealing File entered October 9, 2007, enjoining  
3 Defendants, their corporate parents, subsidiaries, directors, officers, agents, servants,  
4 employees, representatives, confederates, and affiliates and any other persons or entities  
5 acting in concert or participation with Defendants, and any banks, savings and loan  
6 associations or other financial institutions (including, without limitation, Washington  
7 Mutual), or agencies which engage in the transfer of real property, or anyone who  
8 receives actual notice of this order from transferring, disposing of, or secreting any  
9 money derived from Defendants' counterfeiting activities pending the disposition of this  
10 action is hereby lifted, and that all bank accounts previously frozen, including, without  
11 limitation, Defendants' Washington Mutual accounts, shall be unfrozen and Defendants  
12 shall disperse the funds from Defendants' previously frozen bank accounts in accordance  
13 with the Settlement Agreement between the Parties.

14 9. The corporate surety bond, cash or certified check in the amount of twenty  
15 thousand dollars (\$20,000) posted by Plaintiff as required by the Temporary Restraining  
16 Order, Seizure Order, Order Restraining Transfer of Assets, Order to Show Cause for  
17 Preliminary Injunction, Order for Expedited Discovery and Order Sealing File entered  
18 October 9, 2007, is hereby released.

19 **IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that:

20 Plaintiff shall be entitled to recover the Settlement Amount of eleven thousand  
21 three hundred thirty-nine dollars and seven cents (\$11,339.07) by release of the monies  
22 currently restrained at Washington Mutual Bank (Account No. 30900001002928 in the  
23 name of Princess Silk LLC in the amount of \$1352.20; Washington Mutual Bank  
24 Account No. 30900004523210 in the name of Princess Silk LLC in the amount of  
25 \$318.06; and Washington Mutual Bank Account No. 30900004523442 in the name of  
26 Cindy Virk in the amount of 9,668.81).

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**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that:

Final judgment is entered against Defendants PRINCESS SILK L.L.C., CINDY VIRK, individually and doing business as PRINCESS SILK, and LADOU STYLE, INC. in the amount of eighty-eight thousand six hundred and sixty dollars and ninety-three cents (\$88,660.93) (the "Judgment Amount") as damages awardable under 15 U.S.C. § 1117, and that Defendants PRINCESS SILK L.L.C., CINDY VIRK, individually and doing business as PRINCESS SILK, and LADOU STYLE, INC. are jointly and severally liable to Plaintiff for the Judgment Amount.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that:

This Judgment is binding on Defendants PRINCESS SILK L.L.C., CINDY VIRK, Individually and doing business as PRINCESS SILK, and LADOU STYLE, INC. their representatives, successors, and assigns.

Dated: September 30, 2008

By: 

Honorable James V. Selna  
United States District Judge

Respectfully submitted by:

GREENBERG TRAURIG, LLP

By: /s/ Gregory A. Nylen

Gregory A. Nylen

Attorneys for Plaintiff  
FAROUK SYSTEMS, INC.